

**Activities of daily living (ADLs):** Activities of daily living are activities related to personal care. They include bathing or showering, dressing, getting in and out of bed or a chair, using the toilet, and eating. If a sample person had any difficulty performing an activity by himself/herself and without special equipment, or did not perform the activity at all because of health problems, the person was deemed to have a limitation in that activity. The limitation may have been temporary or chronic at the time of the survey. Sample persons who were administered a community interview answered health status and functioning questions themselves, unless they were unable to do so. A proxy, such as a nurse, always answered questions about the sample person's health status and functioning for long-term care facility interviews.

**Arthritis:** The category arthritis includes rheumatoid arthritis, osteoarthritis, and other forms of arthritis.

**Benefit Payment:** A benefit payment is the total amount Medicare has paid out on behalf of a beneficiary. Each sample person's benefit payment is calculated by adding together any Part A reimbursement, any Part B reimbursement, and any managed care capitation payments made by Medicare.

**Capitation payments:** Capitation, in contrast to fee-for-service, is a method of payment whereby, in exchange for a fixed payment, an entity, such as an HMO or HCPP, agrees to provide a comprehensive package of health care services to an individual on an "as needed" basis. A capitation payment is a predetermined, per-member, per-month payment from the

Medicare program to managed care plans such as risk health maintenance organizations (HMOs) (see health maintenance organization). For risk HMOs the capitation payment is used, along with any supplemental premium collected by the HMO for the actuarial equivalent of the deductible and coinsurance and for supplemental services not covered by Medicare, to finance all necessary Medicare-covered services and supplemental services provided to Medicare beneficiaries enrolled in the HMO. The amount paid for each Medicare enrollee (both in the form of a capitation payment from Medicare and any supplemental premium paid by or on behalf of the HMO enrollee) does not depend on the actual cost of services to the individual. The supplemental premiums are not included in tables showing expenditures by source of payment.

For non-risk managed care plans (see Health maintenance organization--cost HMOs and HCPPs) the capitation payments represent the estimated cost of services and do not include retroactive adjustments resulting from end-of-fiscal year cost reports.

**Chronic conditions:** Chronic conditions consist of heart disease, hypertension (high blood pressure), diabetes, arthritis, osteoporosis, broken hip, pulmonary disease, stroke, Parkinson's disease, and urinary incontinence that occurs once a week or more often. The question about a condition (except for urinary incontinence) was coded as a positive response if the sample person ever reported being diagnosed with the condition, even if the condition had been corrected by time or treatment. Missing values for this variable were treated

differently from other variables. A missing value for any of the conditions was treated as a negative response for that condition.

**End-stage renal disease (ESRD):** End-stage renal disease is a state of kidney impairment that is irreversible, cannot be controlled by conservative management alone, and requires dialysis or kidney transplantation to maintain life.

**Fee-for-service payments:** Fee-for-service, as opposed to prepayment or capitation, is a method of payment where payment is made for services as they are rendered. Each individual medical event or bundle of events, consisting of a service, a procedure, a product or combination delivered by a provider bears a charge. Payment toward the charge is determined by the type of medical event and by the relationship of the provider to the payer. Where no contractual relationship exists between the payer and provider, the payer may be responsible for the entire charge. Typically this occurs when a patient has no coverage by a third party or receives a service not covered by his or her plan.

Where a contractual relationship exists, say between Medicare and a participating provider, the reimbursement may be on the basis of reasonable cost, reasonable charges, prospective payment, fixed fee schedules, or some other methodology.

**Functional limitations:** Sample persons who reported no limitations in any of the activities of daily living (ADLs) of instrumental activities of daily living (IADLs) due to health problems were included in the category “none.” Sample

persons with at least one IADL, but no ADL, were included in the category “IADL only.” Sample persons with ADL limitations were categorized by the number of limitations (1 to 2, 3 to 5) regardless of the presence or number of IADL limitations. Sample persons who were administered a community interview answered questions about their functional limitations themselves, unless they were unable to do so. A proxy, such as a nurse, always answered questions about the sample person’s functional limitations for long-term care facility interviews.

**Health maintenance organization (HMO):** An HMO provides, or arranges for the provision of, a comprehensive package of health care services to enrolled persons, for a fixed capitation payment (see capitation payment). The term “Medicare HMO” includes all types of managed care plans and is used generically in this report for all types of HMOs and health care payment plans (HCPPs).

Risk HMOs are paid on a capitation basis to provide Part A and Part B services to Medicare enrollees. Some risk HMOs may charge a supplemental premium for the actuarial equivalent of the deductible and coinsurance and for supplemental services not covered by Medicare. Cost HMOs (for Part A and Part B services) and HCPPs (for Part B services) are initially paid a capitation amount estimated to cover the cost of applicable services to their enrollees. Final payment is determined on the basis of reasonable cost after an end of year cost settlement.

**Health status:** A sample person was asked to rate his or her general health compared to other people of the same age. Sample persons who were administered a community interview answered health status questions themselves, unless they were unable to do so. A proxy, such as a nurse, always answered questions about the sample person's health status for long-term care facility interviews.

**Heart disease:** The category heart disease includes myocardial infarction (heart attack), angina pectoris or coronary heart disease, congestive heart failure, problems with valves in the heart, or problems with rhythm of the heartbeat.

**Income:** Income is for Calendar year 1995. It is for the sample person, or the sample person and spouse if the sample person was married in 1995. All sources of income from jobs, pensions, Social Security benefits, Railroad Retirement and other retirement income, Supplemental Security Income (SSI), interest, dividends, and other income sources are included. Beneficiaries who did not report a specific income category were placed into income categories based on the proportion of respondents within each category.

**Instrumental activities of daily living (IADLs):** Instrumental activities of daily living are activities related to independent living. They include preparing meals, managing money, shopping for groceries or personal items, performing light or heavy housework, and using a telephone. If a sample person had any difficulty performing an activity by himself/herself, or did not perform the activity at all, because of health problems,

the person was deemed to have a limitation in that activity. The limitation may have been temporary or chronic at the time of the survey. Sample persons who were administered a community interview answered health status and functioning questions themselves, unless they were unable to do so. A proxy, such as a nurse, always answered questions about the sample person's health status and functioning for long term care facility interviews. Facility interviewers did not ask about the sample person's ability to prepare meals or perform light or heavy housework, since they are not applicable to the sample person's situation; however, interviewers did questions proxies about the sample person's ability to manage money, shop for groceries or personal items, or use a phone.

**Insurance coverage:** Insurance categories were derived using insurance coverage variables and interview dates in the 1996 Access to Care files. The sample persons were checked to see what types of insurance the sample persons held at the time of their fall 1996 interview (round 16). Insurance categories in this book were constructed to be mutually exclusive by prioritizing insurance holdings. Enrollment in a Medicare risk HMO had the highest priority; i.e., if a sample person was enrolled in a Medicare Risk HMO at the time of their interview, the person was included in the Medicare risk HMO category, regardless of other insurance holdings at that time. Medicaid coverage had the second-highest priority, after enrollment in a Medicare risk HMO. Other public health insurance plans, including Veterans Administration eligibility or a State-sponsored drug plan, are distributed across the insurance categories according to the sample persons highest-priority

insurance coverage. For example, a person eligible for Medicaid coverage who was also eligible for a State-sponsored drug plan is categorized under “Medicaid.”

The categories defined below apply to community residents. Facility residents have only three insurance categories: Medicare fee-for-service only, Medicaid, and private insurance. No distinction was made during the collection of the facility data as to the source of a private health insurance plan. The three insurance categories are analogous to those defined below for community residents.

- **Medicare risk HMO** encompasses sample persons enrolled in a Medicare risk HMO at the time of their round 16 (fall 1996) interview. The category does not include sample persons enrolled in cost HMOs or health care payment plans.
- **Medicaid** encompasses sample persons eligible for Part A and/or Part B Medicare benefits, and who were eligible for State Medicaid benefits at the time of their round 16 (fall 1996) interview, but were not enrolled in a Medicare risk HMO.
- **Individually-purchased private insurance** encompasses sample persons eligible for Part A and/or Part B Medicare benefits, and who had self-purchased private insurance plans (“Medigap” insurance), but were not enrolled in a Medicare risk HMO, Medicaid,

or employer-sponsored private insurance coverage at the time of their round 16 (fall 1996) interview.

- **Employer-sponsored private insurance** encompasses sample persons eligible for Part A and/or Part B Medicare benefits, and who had employer-purchased private insurance plans, but were not enrolled in a Medicare risk HMO, Medicaid, or self-purchased private insurance coverage at the time of their round 16 (fall 1996) interview.
- **Both types of private insurance** encompasses sample persons eligible for Part A and/or Part B Medicare benefits, and who had both employer-sponsored private insurance and self-purchased private insurance, but were not enrolled in a Medicare risk HMO or had no Medicaid coverage.
- **Medicare fee-for-service only** encompasses sample persons eligible for Part A and/or Part B Medicare benefits, and who were not enrolled in a Medicare HMO, did not have Medicaid coverage, who had no private insurance, and who had no public insurance at the time of their round 16 (fall 1996) interview.
- **Other** encompasses sample persons eligible for Part A and/or Part B Medicare benefits, and who were eligible for some type of public insurance (e.g., Medicare cost HMO, HCPP, Veterans Administration health care benefits, or State-sponsored prescription drug plans),

but were not enrolled in a Medicare risk HMO, were not eligible for Medicaid, and had no private insurance at the time of their round 16 (fall 1996) interview.

**Living arrangement:** For community residents, sample persons were divided into mutually exclusive categories: 1) beneficiary lives alone, 2) beneficiary lives with spouse only, or lives with a spouse and other relatives or non-relatives, 3) beneficiary lives with his or her children, or lives with his or her children and other relatives or non-relatives, but does not live with a spouse, or 4) beneficiary lives with other relatives or non-relatives, but not with his or her children or a spouse.

**Long-term care facility:** To qualify for the survey, a long-term care facility must have three or more long-term care beds, and provide either personal care services to residents, provide continuous supervision of residents, or provide long-term care services throughout the facility or in a separately identifiable unit. Types of long-term care facilities include licensed nursing homes, skilled nursing homes, intermediate care facilities, retirement homes, domiciliary of personal care facilities, distinct long-term care units in a hospital complex, mental health facilities and centers, assisted and foster care homes, and institutions for the mentally retarded and developmentally disabled.

**Missing Values:** When amounts (e.g., beneficiary counts or expenditures per beneficiary) are displayed in a table in this data book, sample persons with missing responses or who belong to a category of a variable not shown in the table (e.g.,

“other” for the variable “race/ethnicity”) are excluded from individual categories displayed, but are included in the total. When column or row percentages are displayed in a table, sample persons with missing responses are assumed to be distributed the same as reported data and are included in the percentages. That is, column or row percentages sum to 100 percent of the column or row total.

**Mobility limitation:** If the sample person had no difficulty at all walking a quarter of a mile, the response was coded as “no.” If the sample person had little, some, or a lot of difficulty, or could not walk a quarter of a mile, the response was coded “yes.” The response reflects whether the sample person usually had trouble walking, rather than temporary difficulty, such as from a short-term injury. Sample persons who were administered a community interview answered health status and functioning questions themselves, unless they were unable to do so. A proxy, such as a nurse, always answered questions about the sample person’s health status and functioning for long-term care facility interviews.

**Outpatient hospital services:** The basic unit measuring use of outpatient services is a separate visit to any part of an outpatient department or outpatient clinic at a hospital. Outpatient hospital events include emergency room visits that did not result in an inpatient hospital admission.

**Physician services:** Physician services include medical doctor, osteopathic doctor, and health practitioner visits; diagnostic laboratory and radiology services. Health practitioners include

audiologists, optometrists, chiropractors, podiatrists, mental health professionals, therapists, nurses, paramedics, and physician's assistants. For survey-reported events, the basic unit measuring use of physician services is a separate visit, procedure, or service.

**Pulmonary disease:** The category pulmonary disease includes emphysema, asthma, and cardiopulmonary disease.

**Race/ethnicity:** Race and ethnic categories were recorded as interpreted by the respondents. Sample persons who reported they were white and not of Hispanic ancestry were coded as white non-Hispanic; those who reported they were black/African American and not of Hispanic ancestry were coded as black non-Hispanic; persons who reported they were of Hispanic ancestry, regardless of their race, were coded as Hispanic; persons who reported they were American Indian, an Asian or Pacific Islander, or other race and not of Hispanic ancestry were coded as other race/ethnicity. Hispanic includes persons of Mexican, Puerto Rican, Cuban, Central or South American, or other Spanish culture or origin, regardless of race. Ethnic groups such as Irish or Cuban were not recorded.

**Residence status:** Community residents are Medicare beneficiaries who lived in household units at the time of their round 16 (fall 1996) interview. Long-term care facility residents are Medicare beneficiaries who lived in a long term care facility at the time of their round 16 (fall 1996) interview (see long-term care facility).

**Satisfaction with care:** In section 5 of the tables, “(Very) Unsatisfied” includes a response of either “unsatisfied” or “very unsatisfied.” Sample persons with responses of “satisfied” and “no experience” are not shown in the tables but are included in the total population, which constitutes the denominator for calculating percentages of persons with a given response. The questions about satisfaction with care represent the respondent's general opinion of all medical care received in the year preceding the interview.

- **General care** refers to the sample person's rating of the over all quality of medical care received. Of the 16,518 community-resident sample persons represented in the tables, 10,111 responded they were “satisfied,” and 771 responded they had “no experience.”
- **Follow-up care** refers to the sample person's rating of follow-up care received after an initial treatment or operation. Of the 16,518 community-resident sample persons represented in the tables, 10,844 responded they were “satisfied,” and 2,111 responded they had “no experience.”
- **Availability** refers to the sample person's rating of the availability of medical care at night and on weekends. Of the 16,518 community-resident sample persons represented in the tables, 6,632 responded they were “satisfied,” and 7,419 responded they had “no experience.”

- **Ease of access to doctor** refers to the sample person's rating of the ease and convenience of getting to a doctor from his or her residence. Of the 16,518 community-resident sample persons represented in the tables, 11,811 responded they were "satisfied," and 566 responded they had "no experience."
- **Can obtain care in same location** refers to the person's rating of his or her ability to get all medical care needs taken care of at the same location. Of the 16,518 community-resident sample persons represented in the tables, 11,542 responded they were "satisfied," and 1,661 responded they had "no experience."
- **Information from doctor** refers to the sample person's rating of the information given to the sample person about what was wrong with him or her. Of the 16,518 community-resident sample persons represented in the tables, 11,764 responded they were "satisfied," and 776 responded they had "no experience."
- **Doctor's concern for overall health** refers to sample person's rating of the doctor's concern for his or her overall health rather than for an isolated symptom or disease. Of the 16,518 community-resident sample persons represented in the tables, 11,532 responded they were "satisfied," and 855 responded they had "no experience."

- **Cost** refers to the sample person's rating of out-of-pocket costs he or she paid for medical care. Of the 16,518 sample persons represented in the tables, 10,553 responded they were "satisfied," and 1,036 responded they had "no experience."

**Schooling:** Schooling categories are based on the highest school grade completed. Education does not include education of training received in vocational, trade, or business schools outside of the regular school system.

**Smokers:** Smoker categories in this book are mutually exclusive. Sample persons who had never smoked were categorized as "never smoked." Sample persons who smoked were categorized as "never smoked." Sample persons who smoked previously but were not current smokers were categorized as "former smoker." Sample persons who reported they currently smoked were categorized as "current smoker." Smoking includes a period of regular smoking of cigarettes or pipes, but does not include use of other forms of tobacco, such as chewing tobacco.

**Social activity limitation:** If the sample person responded that health had not limited his or her social life in the past month, the response was coded "no." If the sample person responded that health had limited his or her social life in the past month some, most, or all of the time, the response was coded as "yes." Limitations on social life include limitations on visiting with friends or close relatives, and reflect the sample person's experience over the preceding month, even if that experience

was atypical. Sample persons who were administered a community interview answered health status and functioning questions themselves, unless they were unable to do so. A proxy, such as a nurse, always answered questions about the sample person's health status and functioning for long-term care facility interviews.

**Upper extremity limitation:** If the sample person had no difficulty at all reaching or extending his or her arms above shoulder level, and had no difficulty writing or handling and grasping small objects, the response was coded "no." If the sample person had a little, some, or a lot of difficulty with these tasks, or could not do them at all, the response was coded "yes." The response reflects whether the sample person usually had trouble reaching over his or her head or writing, rather than temporary difficulty, such as from a short-term injury. Sample persons who were administered a community interview answered health status and functioning questions themselves, unless they were unable to do so. A proxy, such as a nurse, always answered questions about the sample person's health status and functioning for long-term care facility interviews.

**Urinary incontinence:** If the sample person had lost urine beyond his or her control at least once during the last 12 months, the response was coded "yes." If the sample person was on dialysis or had a catheter, the response was coded as missing.

**User rate:** A user rate is defined as the percentage of beneficiaries with the given characteristics who used at least

one of the relevant services at any time during 1996 before the sample person's round 16 (fall 1996) interview. For example, the outpatient hospital user rate for persons 85 or older who had Medicaid coverage is equal to the number of beneficiaries age 85 or older with Medicaid coverage who had at least one outpatient hospital visit in 1996 prior to their fall 1996 (round 16) interview, divided by the total number of persons age 85 or older with Medicaid coverage.

**Usual source of care:** If the sample person responded that he or she did not have a particular medical person or clinic where he or she usually went for care or advice about health, the response was coded as "none." If the sample person responded that he or she did have a usual source of care, the sample person was questioned about the type of place. "Other clinic/health center" includes a neighborhood or family health center, a freestanding surgical center, a rural health clinic, a company clinic, any other kind of clinic, a walk-in urgent center, a home visit from a doctor, care in a Veterans Administration facility, a mental health center, or other place not included in the listed categories.